GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:5284
ANSWERED ON:29.04.2005
REDUCTION OF STAFF IN PSBs
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Will the Minister of FINANCE be pleased to state:

(a) whether staff strength has-been substantially reduced in the public sector banks due to computerization and restructuring of the organisational set up, V.R.S. ban on recruitment and on appointment of person on compassionate ground as a result of which bank services are being affected;

(b) if so, the details thereof;

(c) whether about one lakh employees have been affected on account of introduction of V.R.S. in public sector Banks thereby work pressure on the remaining staff has increased;

(d) if so, whether the Government is considering on lifting the ban on recruitment including compassionate appointments in Banks; and

(e) if so, by when and if not, the reasons therefor?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):

(a) to (c) There has been marginal reduction in the staff strength in the Public Sector Banks (PSBs) from 7,57,048 (as on 31-03-2002) to 7,52,627 (as on 31-03-2004), as a result of manpower planning by them to ensure optimum utilization of manpower at various levels to meet their requirement and business strategies. Banks have also taken steps to speed up computerization of their branches/offices towards improving customer services and reducing the workload on their staff. Consequently, bank services have improved substantially with lesser workload on its staff.

(d) and (e) There has been no ban imposed by the government on recruitment in PSBs, who enjoy autonomy on personnel matters. However, as regards the compassionate appointments, PSBs were advised in July 2004 to formulate their own schemes for payment of ex-gratia lump sum amount in lieu of compassionate appointments to the dependents of deceased employees, on merits.